



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Cleta Mitchell, Esq.
Foley & Lardner LLP
3000 K Street, N.W. Suite 600
Washington, DC 20007-5109
CMitchell@foley.com

AUG 03 2018

RE: MUR 7301
Reform America Fund
and Lorri Pickens in her official
capacity as treasurer

Dear Ms. Mitchell:

On July 31, 2018, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 52 U.S.C. § 30104(g), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script that reads "Dominique Dillenseger".

Dominique Dillenseger
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

**OFFICE OF
GENERAL COUNSEL**

In the Matter of)
)
Reform America Fund and)
Lorri Pickens in her official)
capacity as treasurer)

MUR 7301-2018 AUG 02 AM 11:57

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities.

The Commission found reason to believe that Reform America Fund and Lorri Pickens in her official capacity as treasurer ("Respondents") violated 52 U.S.C. § 30104(g), a provision of the Federal Election Campaign Act of 1971, as amended (the "Act").

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Reform America Fund (the "Committee") is a political committee within the meaning of 52 U.S.C. § 30101(4) and is not the authorized committee of any candidate.

2. Lorri Pickens is the treasurer of Reform America Fund.

3. The Act requires committee treasurers to file reports of disbursements in accordance with the provisions of 52 U.S.C § 30104(b). 52 U.S.C. § 30104(a)(1). This requirement includes reporting independent expenditures made by political committees other

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than authorized committees. 52 U.S.C. § 30104(b)(4)(H)(iii); *see also* 11 C.F.R.

§ 104.3(b)(1)(vii).

4. Every political committee that makes independent expenditures ("IEs") must report them in its regularly scheduled disclosure reports in accordance with 11 C.F.R. § 104.3(b)(3)(vii). 11 C.F.R. § 104.4(a). Political committees that make or contract to make independent expenditures aggregating \$1,000 or more with respect to a given election after the 20th day, but more than 24 hours before the date of that election, must disclose them within 24 hours following the date of dissemination. 52 U.S.C. § 30104(g)(1); 11 C.F.R. § 104.4(c). These reports, known as 24-Hour Reports, must be filed within 24 hours after each time a committee makes or contracts to make independent expenditures aggregating an additional \$1,000. 11 C.F.R. § 104.4(c).

5. On December 6, 2016, the Committee filed its 30-Day Post-General Report, disclosing 22 independent expenditures totaling \$2,553,226.92 made in opposition to two federal candidates. Of these expenditures, the Committee failed to file two 24-Hour Reports regarding two independent expenditures totaling \$1,044,256.46.

V. Respondents violated 52 U.S.C § 30104(g) by failing to file two 24-Hour reports of independent expenditures totaling \$1,044,256.46.

VI. 1. In ordinary circumstances, the Commission would seek a substantially higher civil penalty based on the violations outlined in this agreement. However, the Commission is taking into account the fact that the Committee will be terminating, has very little cash on hand, and according to Respondents, has a limited ability to raise additional funds. In light of these factors, Respondents, will pay a civil penalty to the Federal Election Commission in the amount of Twenty Thousand dollars (\$20,000), pursuant to 52 U.S.C. § 30109(a)(5)(A). If evidence is

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uncovered indicating the Committee's financial condition is not as stated, a civil penalty of One Hundred and Five Thousand dollars (\$105,000) shall be immediately due, pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondents will cease and desist from violating 52 U.S.C. § 30104(g).

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

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X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

BY: Kathleen M. Guith
Kathleen M. Guith
Associate General Counsel
for Enforcement

8/2/18
Date

FOR THE RESPONDENTS:

Cleta Mitchell
Cleta Mitchell, Esq.
Counsel for Respondents

April 18, 2018
Date